

S T O L L

K E E N O N

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P A R K

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300 WEST VINE STREET | SUITE 2100 | LEXINGTON, KENTUCKY 40507-1801
(859) 231-3000 PHONE | (859) 253-1093 FAX | WWW.SKP.COM

LINDSEY W. INGRAM, JR.
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RECEIVED

MAR 26 2004

March 26, 2004

PUBLIC SERVICE
COMMISSION

Via Hand Delivery

Mr. Tom Dorman
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

Case 2004-00103

Dear Tom:

In conformity with 807 KAR 5:001 Section 10(2) and 807 KAR 5:011 Section 8(1), notice is hereby given to the Public Service Commission of the Commonwealth of Kentucky of the intention of Kentucky-American Water Company to file an application for an increase in its rates no earlier than four weeks from the date of this letter. The rate application will be supported by a fully forecasted test year.

Please acknowledge receipt of this notice and assign a case number to the application to be filed.

With best regards, I am

Very truly yours,

STOLL, KEENON & PARK, LLP

By

Lindsey

Lindsey Ingram, Jr.

/sl

cc: David E. Spenard, Esq.
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Mr. Thomas Dorman
Executive Director
Public Service Commission
211 Sower Boulevard
Frankfort, Kentucky 40601

Case 2004-00103

RE: Kentucky-American Water Company

Dear Tom:

Simultaneously with the delivery of this letter we have filed a notice on behalf of Kentucky-American Water Company ("Kentucky American Water") of its intention to file an application for an increase in rates no earlier than four weeks from the date of this letter. There are two procedural questions that I would like answered as soon as possible.

First, 807 KAR 5:001, Section 8(2), requires the original and ten copies of all applications. With prior approval of the Public Service Commission, Kentucky American Water filed Cases No. 97-034 and 2000-120 in electronic form with the original and three paper copies. Kentucky American Water is prepared to file its new case only in electronic form. We encourage the Commission to accept this case in electronic form only but I ask you to advise me as soon as possible of the Commission's determination.

Secondly, in Cases No. 97-034 and 2000-120 Kentucky American Water sought and was granted Commission approval to provide Spears Water Company and Jessamine-South Elkhorn Water District a specific, written, mailed notice of Kentucky American Water's application for an increase in rates in lieu of advertising once a week for three consecutive weeks in the *Jessamine Journal*. Kentucky American Water's meters now serving the city of Nicholasville (formerly Spears Water Company) and Jessamine-South Elkhorn Water District are located within Fayette County, Kentucky, one on Whites Lane and one on Clays Mill Road even though both of those entities have mailing addresses in Jessamine County, Kentucky. Kentucky American Water has one direct customer in Jessamine County, the Lexington-Fayette

Mr. Tom Dorman
March 26, 2004
Page 2

Urban County Government's West Hickman Sanitary Sewer Treatment Plant, billed at 200 East Main Street, #343, Lexington, Kentucky 40507-1310, and two residential customers with taps located in Fayette County.

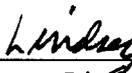
The *Jessamine Journal's* current rate for classified advertisements is \$8.95 per column inch. The last time Kentucky American Water advertised its rates in the *Jessamine Journal*, the advertisement took 60 column inches. The approximate cost of a new advertisement would be \$1,611.00.

Kentucky American Water has a new sale for resale customer, Peaks Mill Water District, with a mailing address and customers in Franklin County. The meter serving Peaks Mill Water District is located in Owen County on US-127.

Would you be so kind as to advise me whether or not direct mail notice to the city of Nicholasville, Jessamine-South Elkhorn Water District, the Lexington-Fayette Urban County Government, Peaks Mill Water District and the two residential customers located in Jessamine County, that contains all of the requirements of 807 KAR 5:001, Section 10(3), together with advertising once a week for three consecutive weeks in a newspaper of general circulation in Bourbon, Clark, Gallatin, Grant, Harrison, Fayette, Owen, Scott and Woodford Counties, will meet all of the necessary notice requirements of the filing of an application for an increase in rates. Kentucky American Water serves only customers in Bourbon, Clark, Gallatin, Grant, Harrison, Fayette, Owen, Scott and Woodford Counties; the city of Nicholasville; Jessamine-South Elkhorn Water District; the Lexington-Fayette Urban County Government; Peaks Mill Water District and two residential customers in Jessamine County, with addresses and taps as previously described herein.

Very truly yours,

STOLL, KEENON & PARK, LLP

By 
Lindsey Ingram, Jr.

/s/

cc: Gerald E. Wuetcher, Esq.
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